"(B) the trends in the relevant industrial bases of such countries;

"(C) the competitiveness of the United States industrial base supporting research in, and the development and use of, such technology;

"(D) the extent to which the United States should depend on other countries for the development of such technology; and

"(E) the extent to which action should be taken by the Federal Government to maintain and improve—

"(i) research efforts in the United States; and

"(ii) the industrial base supporting such efforts.

"(9) The potential contributions that the private sector can be expected to make from its own resources in connection with the development of civilian applications for such technology/".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2508. Annual defense critical technologies plan.".

(c) AGREEMENTS FOR STUDIES.—(1) Section 2368 of title 10, United States Code, is amended to read as follows:

"§ 2368. Critical technologies research

"(a) AGREEMENTS.—The Secretary of Defense may enter into agreements with the National Academy of Sciences, the National Academy of Engineering, and the National Institute of Medicine for the conduct of studies in fields of research and development essential to the development of the technologies identified in the most recent biennial report submitted to the President by the National Critical Technologies Panel under section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976.

"(b) CONSULTATION WITH DIRECTOR OF OSTP.—An agreement under subsection (a) may be entered into only after consultation with the Director of the Office of Science and Technology Policy.

"(c) FUNDING LIMITATION.—The Secretary may not obligate more than $500,000 for agreements under subsection (a) in any fiscal year.".

(2) The item relating to that section 2368 in the table of sections at the beginning of chapter 139 of such title is amended to read as follows:

"2368. Critical technologies research.".

SEC. 842. DEFENSE INDUSTRIAL INFORMATION AND

CRITICAL INDUSTRIES PLANNING

(a) EXPANDED FUNCTIONS OF THE DEFENSE INDUSTRIAL BASE OFFICE.—Section 2503 of title 10, United States Code, is amended—

(1) by striking out "at a minimum—" in the matter preceding paragraph (1) and inserting in lieu thereof "at a minimum, do the following:";

(2) by amending the first word of each of paragraphs (1) through (4) so that the initial letter of such word is uppercase;

(3) by striking out the semicolon at the end of each of paragraphs (1) and (2) and inserting in lieu thereof a period;

(4) by striking out "; and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(5) by adding at the end the following new paragraph: